

Martha Exploration Project

The current Martha Mine open pit has been operating since 1988 and is now about 260 metres deep. Like its underground predecessor it has produced a substantial amount of gold and silver – this time from precious metals the early miners left behind.

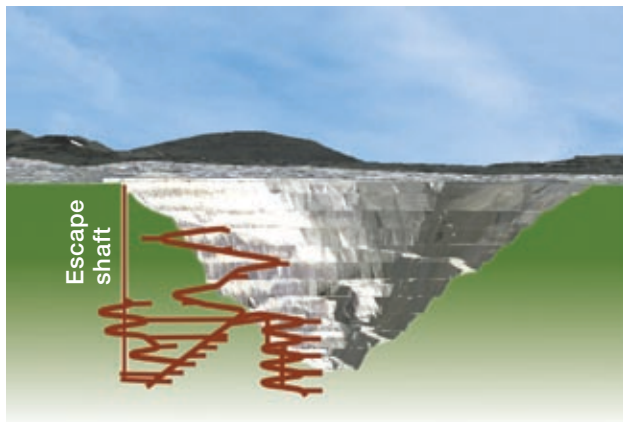
Open pit mining is due to end in 2014 when the layback to the east wall of the Martha open pit is complete. Before we complete all activity in the open pit we wish to evaluate the economic potential of the gold and silver remaining below the pit floor. To do this we propose to explore underground inside the current mining licence boundary. If the MEP

indicates the potential for underground mining we would be required to commit to a full resource management consenting process.

We lodged an application in September last year to vary the existing mining licence to permit us to carry out the Martha Exploration Project. Our application was jointly considered by Hauraki District Council (HDC), Waikato Regional Council (WRC) and the Minister of Energy and Resources (MER). On 26 January 2012 HDC, WRC and MER gave joint public notice of their decision to vary the conditions of the licence.



North wall showing position of the portals.



View looking northeast from western end of Martha pit showing proposed Martha Exploration Project underground workings.



The Martha open pit showing the proposed Martha Exploration Project underground workings.

What is the MEP?

The MEP involves constructing an exploration decline (tunnel) under the northwestern wall of the open pit and two small trial stopes (mining) under the pit. The decline will be used to provide access to explore and confirm the nature and extent of any ore. Trial stopes will determine whether any future underground mining beneath the existing Martha pit is safe and viable, particularly given the extent of historic workings present.

The Martha Exploration Project includes the following:

- An exploration decline approximately 5 metres high by 5 metres wide and approximately 2.6 kilometres long, constructed from a portal in the north-western wall, approximately 200 metres from the top of the wall. The decline will extend approximately

280 metres below surface, or 20 metres below the bottom of the pit;

- Stockpiling small quantities of waste rock and ore for crushing and conveying to the waste rock embankments and processing plant;
- Another portal, located 80 metres from the top of the pit's north wall, to provide a second access point and fresh air intake;
- An underground ventilation shaft and escape shaft, also contained within the pit.

We expect this work will take two to three years to complete. This will approximately coincide with the completion of the layback to the east wall of the Martha pit. In terms of scale the MEP is a small project; less waste rock and ore will be moved during its two year life than approximately one month of open pit mining.

The Martha Exploration Project is located entirely within the existing Martha mining licence area and within the boundaries of the pit rim. The project will not tunnel under any residential property.

The main points

Key points in the proposed variation are:

- Underground operations will be permitted 24 hours a day, seven days a week;
- Use of surface facilities and other limited specified above-ground activities will be permitted 24 hours a day, seven days a week provided we comply with existing conditions. Current night time noise limits will still apply, as well as existing vibration and dust limits;
- Blasting for underground operations may take place Monday-Friday 0700-1900 and Saturday 1000-1200. Blasting in the underground operation may also take place from 1200-1900 on Saturdays where necessary for safety or minor maintenance purposes;
- Blasting will be restricted to a maximum of four blast events in one day. A definition of 'blast event' is included in the variation. Averaged over the entire project we expect to blast up to twice in any one day;
- The current restriction in the mining licence that limits the depth of underground workings to no deeper than the depth of the pit floor will be removed. MEP will extend underground workings 20 metres below the pit floor;
- The Peer Review Panel is to include a geotechnical expert with recognised experience in underground mining and rock mechanics.

What happens now?

This is not a Resource Management Act process. The variation to the mining licence follows the process set out in the Mining Act.

Under the Mining Act there is a period of time from public notification until Monday 27 February 2012 in which any person or body may lodge an objection with the Environment Court. There is

a form for this, and notes to help you complete the form and follow the correct process, which you can access from the following places:

- HDC offices in Paeroa and Waihi
- Newmont Golden Link information office, Seddon Street
- Newmont Waihi Gold administration office, Moresby Ave
- Waihi Library
- www.hauraki-dc.govt.nz
- www.waihigold.co.nz

How to find out more

Copies of the applications, consent authorities' staff reports and recommendations, and proposed variations are available at the places listed above.